costs of lead-based paint hazard evaluation and hazard reduction activities are not to be included. Costs of site preparation, occupant protection, relocation, interim controls, abatement, clearance, and waste handling attributable to compliance with the requirements of this part are not to be included in the hard costs of rehabilitation. All other hard costs are to be included, regardless of whether the source of funds is Federal or non-Federal, public or private.

(c) Calculating rehabilitation assistance in properties with both assisted and unassisted dwelling units. For a residential property that includes both federally assisted and non-assisted units, the rehabilitation costs and Federal assistance associated with non-assisted units are not included in the calculations of the average per unit hard costs of rehabilitation and the average Federal assistance per unit.

(1) The average per unit hard costs of rehabilitation for the assisted units is calculated using the following formula:

Per Unit Hard Costs of Rehabilitation = (a/c) + (b/d)

#### Where:

- a = Rehabilitation hard costs for all assisted units (not including common areas and exterior surfaces)
- b = Rehabilitation hard costs for common areas and exterior painted surfaces
- c = Number of federally assisted units
- d = Total number of units
- (2) The average Federal assistance per assisted dwelling unit is calculated using the following formula:

Per unit Federal assistance = e/c

#### Where:

e = Total Federal assistance for the project c = Number of federally assisted units

[69 FR 34272, June 21, 2004]

### §35.920 [Reserved]

# § 35.925 Examples of determining applicable requirements.

The following examples illustrate how to determine whether the requirements of §§35.930(b), (c), or (d) apply to a dwelling unit receiving Federal rehabilitation assistance (dollar amounts are on a per unit basis):

(a) If the total amount of Federal assistance for a dwelling is \$2,000, and the

hard costs of rehabilitation are \$10,000, the lead-based paint requirements would be those described in \$35.930(b), because Federal rehabilitation assistance is up to and including \$5.000.

(b) If the total amount of Federal assistance for a dwelling unit is \$6,000, and the hard costs of rehabilitation are \$2,000, the lead-based paint requirements would be those described in \$35.930(b). Although the total amount of Federal dollars is more than \$5,000, only the \$2,000 of that total can be applied to rehabilitation. Therefore, the Federal rehabilitation assistance is \$2,000 which is not more than \$5,000.

(c) If the total amount of Federal assistance for a unit is \$6,000, and the hard costs of rehabilitation are \$6,000, the lead-based paint requirements are those described in \$35.930(c), because the amount of Federal rehabilitation assistance is more than \$5,000 but not more than \$25.000.

(d) If eight dwelling units in a residential property receive Federal rehabilitation assistance [symbol c in 35.915(c)(2) out of a total of 10 dwelling units [d], the total Federal assistance for the rehabilitation project is \$300,000 [e], the total hard costs of rehabilitation for the dwelling units are \$160,000 [a], and the total hard costs of rehabilitation for the common areas and exterior surfaces are \$20,000 [b], then the lead-based paint requirements would be those described in §35.930(c). because the level of Federal rehabilitation assistance is \$22,000, which is not greater than \$25,000. This is calculated as follows: The total Federal assistance per assisted unit is \$37,500 (e/c = \$300,000/8), the per unit hard costs of rehabilitation is 22.000 (a/c + b/d = \$160,000/8 + \$20,000/10), and the level of Federal rehabilitation assistance is the lesser of \$37.500 and \$22.000.

[64 FR 50212, Sept. 15, 1999, as amended at 69 FR 34272, June 21, 2004]

# § 35.930 Evaluation and hazard reduction requirements.

(a) Paint testing. The grantee or participating jurisdiction shall either perform paint testing on the painted surfaces to be disturbed or replaced during rehabilitation activities, or presume that all these painted surfaces are coated with lead-based paint.

#### § 35.935

- (b) Residential property receiving an average of up to and including \$5,000 per unit in Federal rehabilitation assistance. Each grantee or participating jurisdiction shall:
- (1) Conduct paint testing or presume the presence of lead-based paint, in accordance with paragraph (a) of this section. If paint testing indicates that the painted surfaces are not coated with lead-based paint, safe work practices and clearance are not required.
- (2) Implement safe work practices during rehabilitation work in accordance with §35.1350 and repair any paint that is disturbed.
- (3) After completion of any rehabilitation disturbing painted surfaces, perform a clearance examination of the worksite(s) in accordance with §35.1340. Clearance is not required if rehabilitation did not disturb painted surfaces of a total area more than that set forth in §35.1350(d).
- (c) Residential property receiving an average of more than \$5,000 and up to and including \$25,000 per unit in Federal rehabilitation assistance. Each grantee or participating jurisdiction shall:
- (1) Conduct paint testing or presume the presence of lead-based paint, in accordance with paragraph (a) of this section.
- (2) Perform a risk assessment in the dwelling units receiving Federal assistance, in common areas servicing those units, and exterior painted surfaces, in accordance with §35.1320(b), before rehabilitation begins.
- (3) Perform interim controls in accordance with §35.1330 of all lead-based paint hazards identified pursuant to paragraphs (c)(1) and (c)(2) of this section.
- (4) Implement safe work practices during rehabilitation work in accordance with §35.1350 and repair any paint that is disturbed and is known or presumed to be lead-based paint.
- (d) Residential property receiving an average of more than \$25,000 per unit in Federal rehabilitation assistance. Each grantee or participating jurisdiction shall:
- (1) Conduct paint testing or presume the presence of lead-based paint in accordance with paragraph (a) of this section.

- (2) Perform a risk assessment in the dwelling units receiving Federal assistance and in associated common areas and exterior painted surfaces in accordance with §35.1320(b) before rehabilitation begins.
- (3) Abate all lead-based paint hazards identified by the paint testing or risk assessment conducted pursuant to paragraphs (d)(1) and (d)(2) of this section, in accordance with  $\S 35.1325$ , except that interim controls are acceptable on exterior surfaces that are not disturbed by rehabilitation and on paint-lead hazards that have an area smaller than the  $de\ minimis$  limits of  $\S 35.1350(d)$ . If abatement of a paint-lead hazard is required, it is necessary to abate only the surface area with hazardous conditions.
- (4) Implement safe work practices during rehabilitation work in accordance with §35.1350 and repair any paint that is disturbed and is known or presumed to be lead-based paint.

[64 FR 50214, Sept. 15, 1999; 65 FR 3387, Jan. 21, 2000, as amended at 69 FR 34273, June 21, 2004]

# § 35.935 Ongoing lead-based paint maintenance activities.

In the case of a rental property receiving Federal rehabilitation assistance under the HOME program, the grantee or participating jurisdiction shall require the property owner to incorporate ongoing lead-based paint maintenance activities in regular building operations, in accordance with §35.1355(a).

[69 FR 34273, June 21, 2004]

## § 35.940 Special requirements for insular areas.

If a dwelling unit receiving Federal assistance under a program covered by this subpart is located in an insular area, the requirements of this section shall apply and the requirements of §35.930 shall not apply. All other sections of this subpart J shall apply. The insular area shall conduct the following activities for the dwelling unit, common areas servicing the dwelling unit, and the exterior surfaces of the building in which the dwelling unit is located:

(a) Residential property receiving an average of up to and including \$5,000 per